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New Mexico Labor Market Review

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NEW MEXICO DEPARTMENT OF LABOR
Paul M. Garcia, Secretary
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New Mexico's unemployment rate in October was 8.2 percent, down slightly from the 8.3 percent rate in September. The labor force estimates, based largely on the U.S. Department of Labor's household survey, indicate that 6,400 more New Mexicans were employed in October than in September. However, the number of unemployed in the state saw only slight improvement during the month. Interestingly, the preliminary household-based estimates, for the third consecutive month, indicated a smaller labor force in New Mexico this year than in the same period in 1986. Although the decrease is small, approximately one percent, any labor force decline is unusual for New Mexico. It must be emphasized, however, that these estimates are preliminary, and revised figures for 1987, due out early next year, could indicate a somewhat different labor force trend. The U.S. unemployment rate (not seasonally adjusted) in October was 5.7 percent, unchanged from September.

Total nonfarm payroll employment in New Mexico grew by 1,600 jobs in October to reach an all-time high of 540,900. Employment in government was up sharply, a normal occurrence this time of year as public schools and universities continue to add staff for the fall term. Both trade and services lost a sizeable number of jobs during October, also following the usual seasonal pattern of a lull in activity before the holiday buying season arrives in full force in November.

Although much of the employment changes in October were expected for this time of year, several longer term trends were also apparent in the October estimates. In mining, approximately 300 jobs were added in the oil and gas extraction sector. Employment in oil & gas has risen by almost 1,000 jobs since hitting a ten-year low of 8,800 this last May. Supporting these employment figures were operating oil rig counts in the Permian Basin, which show a gain of almost 100 since late 1986.

Employment in New Mexico's manufacturing industry has also experienced slow, steady growth in recent months, and this trend was continued in October with a 200 job gain. Both electronic equipment and transportation equipment added jobs during the month. Transportation equipment has especially shown solid gains in recent months, with over half of the increase in total manufacturing over the last year accounted for by this one sector.

Unfortunately, some of the employment trends in New Mexico in October were on the negative side. The number of jobs in the communications and utilities sector again fell during the month. Employment in the sector is now 800 lower than one year ago, a continuation of the downward slide shown in recent years. Communications has lost approximately 1,700 jobs since mid-1983, and the utilities sector has lost over 1,000 jobs since its peak employment in late 1985.

	Prel.	Revised		Change From	
	Oct. 1987	Sep. 1987	Oct. 1986	Sep. 1987	Oct. 1986
Civilian Labor Force	677,300	671,000	684,700	+6,300	-7,400
Employment	622,000	615,600	622,400	+6,400	- 400
Unemployment	55,300	55,400	62,300	- 100	-7,000
Rate	8.2%	8.3%	9.1%		

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

NEW MEXICO	PRELIM OCT 1987	REVISED SEP 1987	REVISED OCT 1986	OCT CHANGE FROM SEP 1987	OCT CHANGE FROM OCT 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	540,900	539,300	531,800	1,600	9,100
MINING	15,600	15,300	15,200	300	400
Metal Mining	1,900	2,000	2,000	-100	-100
Bituminous Coal, Quarrying etc	3,900	3,800	4,200	100	-300
Oil & Gas Extraction	9,800	9,500	9,000	300	800
CONSTRUCTION	34,800	35,000	35,900	-200	-1,100
MANUFACTURING	40,400	40,200	38,600	200	1,800
DURABLE GOODS	26,500	26,100	24,700	400	1,800
Lumber & Wood Products	2,900	3,000	2,900	-100	0
Machinery(except electric)	2,700	2,700	2,500	0	200
Elec & Electronic Equip	4,600	4,400	4,400	200	200
Transportation Equipment	5,400	5,200	4,300	200	1,100
Other Durable Goods	10,900	10,800	10,600	100	300
NONDURABLE GOODS	13,900	14,100	13,900	-200	0
Food & Kindred Products	4,700	4,900	5,000	-200	-300
Textile & Apparel	2,600	2,600	2,400	0	200
Other Nondurable Goods	6,600	6,600	6,500	0	100
TRANSPORTATION & PUBLIC UTILITIES	29,000	29,100	29,600	-100	-600
TRANSPORTATION	13,400	13,400	13,200	0	200
Railroad Transportation	2,100	2,100	2,300	0	-200
Trucking & Warehousing	6,200	6,200	6,000	0	200
Other Transportation	5,100	5,100	4,900	0	200
COMMUNICATION & PUBLIC UTILITIES	15,600	15,700	16,400	-100	-800
Communication	6,600	6,600	6,800	0	-200
Elec, Gas, & Sanitary Services	9,000	9,100	9,600	-100	-600
WHOLESALE & RETAIL TRADE	131,200	131,900	128,400	-700	2,800
WHOLESALE TRADE	22,700	22,500	22,400	200	300
Durable Goods	13,500	13,500	13,300	0	200
Nondurable Goods	9,200	9,000	9,100	200	100
RETAIL TRADE	108,500	109,400	106,000	-900	2,500
Bldg Material & Mobile Homes	4,600	4,600	4,600	0	0
General Merchandise Stores	13,600	13,300	12,400	300	1,200
Food Stores	15,400	15,800	16,200	-400	-800
Auto Dealers & Service Stations	13,700	13,700	13,300	0	400
Apparel & Accessories	5,500	5,500	5,300	0	200
Furniture & Furnishing	4,700	4,600	4,500	100	200
Eating & Drinking Places	38,600	39,500	37,900	-900	700
Miscellaneous Retail	12,400	12,400	11,800	0	600
FINANCE, INSURANCE, & REAL ESTATE	27,300	27,400	26,900	-100	400
Banking	8,000	8,000	8,000	0	0
Insurance Carriers	3,800	3,800	3,700	0	100
Insur Agents, Brokers & Service	2,900	3,000	2,900	-100	0
Real Estate	6,600	6,600	6,400	0	200
Other Fin, Ins & Real Estate	6,000	6,000	5,900	0	100
SERVICES	122,400	123,200	117,400	-800	5,000
Hotels & Other Lodging Places	12,300	12,700	11,700	-400	600
Personal Services	6,000	6,000	5,900	0	100
Business Services	29,000	29,200	27,700	-200	1,300
Health Services	30,200	30,000	29,300	200	900
Legal Services	4,100	4,100	4,000	0	100
Educational Services	5,200	5,200	5,200	0	0
Social Services	6,200	6,100	6,300	100	-100
Membership Organizations	6,700	6,800	6,100	-100	600
Other Services	22,700	23,100	21,200	-400	1,500
TOTAL GOVERNMENT	140,200	137,200	139,800	3,000	400
FEDERAL GOVERNMENT	30,900	31,200	29,900	-300	1,000
STATE & LOCAL GOVERNMENT	109,300	106,000	109,900	3,300	-600
State Government 2/	47,200	46,400	52,000	800	-4,800
Local Government	62,100	59,600	57,900	2,500	4,200

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
2/ Includes employees of Los Alamos National Laboratory.

An unemployment rate which had increased each of the last two months recovered in October. The rate was down by one tenth of a percentage point since last month and down by four tenths since the same period in 1986.

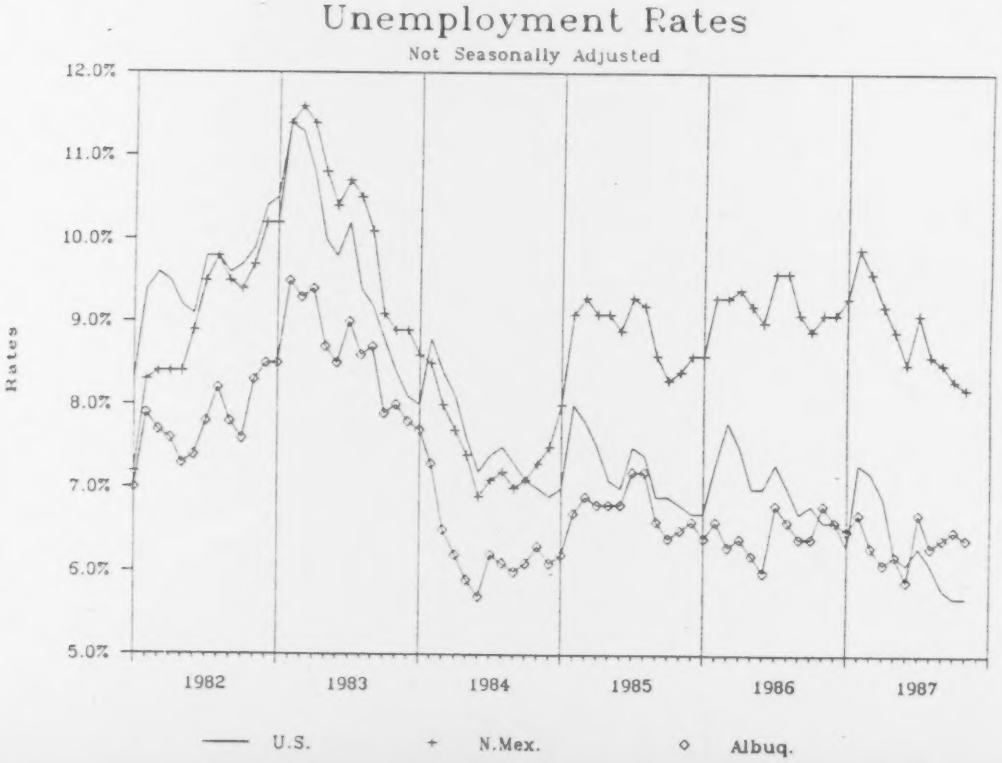
Total nonagricultural wage and salary employment lost 500 jobs between September and October. Most industries followed normal seasonal patterns with minimal overall activity.

Trade had the largest change with a loss of 400 jobs for the month; for the first time since the beginning of the year this spirited industry showed a loss. The eating and drinking subsector, which represents almost 30% of the industry, accounted for much of the decrease with a loss of 200 jobs. Employment at fast food restaurants usually drops off in October as students leave their part time jobs to devote more time to school activities. This temporary setback in trade, which is normal for this time of year, should reverse itself next month as the holiday season gets underway.

Services and construction each lost 200 jobs. Most of the loss in services came in the amusement/recreation subsector as summer recreational facilities closed down for the season; the loss in construction was expected as the anticipated cold weather had its usual affect on building.

Over the year, construction continues to post some disappointing figures, with a loss of 500 jobs since 1986. Within construction, special trades has lost 700 jobs while the other two subsectors, heavy and general building, have had minor changes. The loss in special trades employment was primarily the result of the continued high interest rates and a drop in the number of multifamily dwellings being built. Government was the only other major industry showing a loss over the year, as approximately 2,000 fewer jobs in state government were partially offset by employment gains in the federal and local categories.

	Prel.	Revised		Change From	
	Oct. 1987	Sep. 1987	Oct. 1986	Sep. 1987	Oct. 1986
Civilian Labor Force	258,200	256,200	258,800	+2,000	- 500
Employment	241,600	239,600	241,200	+2,000	+ 400
Unemployment	16,600	16,600	17,500	0	- 900
Rate	6.4%	6.5%	6.8%		



ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

ALBUQUERQUE MSA (BERNALILLO COUNTY)	PRELIM OCT 1987	REVISED SEP 1987	REVISED OCT 1986	OCT CHANGE FROM SEP 1987	OCT CHANGE FROM OCT 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	233,600	234,100	228,200	-500	5,400
MINING	200	200	200	0	0
CONSTRUCTION	16,800	17,000	17,300	-200	-500
MANUFACTURING	19,900	19,900	19,800	0	100
Durable Goods	14,100	14,100	14,200	0	-100
Nondurable Goods	5,800	5,800	5,600	0	200
TRANSPORTATION & PUBLIC UTILITIES	12,600	12,600	12,500	0	100
Transportation	6,200	6,200	6,200	0	0
Communication	3,800	3,800	3,700	0	100
Elec, Gas, & Sanitary Services	2,600	2,600	2,600	0	0
WHOLESALE & RETAIL TRADE	60,900	61,300	58,500	-400	2,400
WHOLESALE TRADE	14,300	14,300	14,000	0	300
Durable Goods	9,800	9,700	9,500	100	300
Nondurable Goods	4,500	4,600	4,500	-100	0
RETAIL TRADE	46,600	47,000	44,500	-400	2,100
General Merchandise Stores	5,400	5,300	4,800	100	600
Food Stores	4,900	5,000	5,200	-100	-300
Auto Dealers & Service Stations	5,000	5,100	4,900	-100	100
Eating & Drinking Places	17,900	18,100	17,100	-200	800
Other Retail Trade	13,400	13,500	12,500	-100	900
FINANCE, INSURANCE, & REAL ESTATE	15,000	14,900	14,400	100	600
Banking	3,300	3,200	3,100	100	200
Ins Carriers, Agents & Brokers	4,300	4,300	4,100	0	200
Other Fin, Ins & Real Estate	7,400	7,400	7,200	0	200
SERVICES	63,900	64,100	60,800	-200	3,100
Hotels & Other Lodging Places	4,100	4,100	3,800	0	300
Personal Services	3,100	3,100	3,100	0	0
Business Services	21,000	21,000	19,800	0	1,200
Health Services	14,700	14,600	14,000	100	700
Social Services	2,900	2,900	2,700	0	200
Membership Organizations	1,700	1,700	1,600	0	100
Other Services	16,400	16,700	15,800	-300	600
TOTAL GOVERNMENT	44,300	44,100	44,700	200	-400
FEDERAL GOVERNMENT	12,900	13,100	12,600	-200	300
STATE & LOCAL GOVERNMENT	31,400	31,000	32,100	400	-700
State Government	11,000	11,000	13,000	0	-2,000
Local Government	20,400	20,000	19,100	400	1,300

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

LAS CRUCES MSA (DONA ANA COUNTY) 1/	PRELIM OCT 1987	REVISED SEP 1987	REVISED OCT 1986	OCT CHANGE FROM SEP 1987	OCT CHANGE FROM OCT 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	39,950	39,200	41,500	750	-1,550
MINING	50	50	50	0	0
CONSTRUCTION	2,700	2,800	2,600	-100	100
MANUFACTURING	3,400	3,500	3,700	-100	-300
Durable Goods	1,300	1,300	1,200	0	100
Nondurable Goods	2,100	2,200	2,500	-100	-400
TRANSPORTATION & PUBLIC UTILITIES	1,250	1,300	1,400	-50	-150
Transportation	500	500	550	0	-50
Comm, Elec, Gas & Sanitary Svs	750	800	850	-50	-100
WHOLESALE & RETAIL TRADE	7,950	7,900	7,800	50	150
WHOLESALE TRADE	850	800	850	50	0
RETAIL TRADE	7,100	7,100	6,950	0	150
General Merchandise Stores	900	900	900	0	0
Food Stores	1,050	1,050	1,050	0	0
Auto Dealers & Service Stations	1,000	1,000	850	0	150
Eating & Drinking Places	2,700	2,700	2,700	0	0
Other Retail Trade	1,450	1,450	1,450	0	0
FINANCE, INSURANCE, & REAL ESTATE	1,650	1,650	1,550	0	100
SERVICES	6,350	6,200	5,800	150	550
Hotels & Other Lodging Places	800	800	550	0	250
Business Services	1,300	1,350	1,050	-50	250
Health Services	1,750	1,750	1,650	0	100
Social Services	300	300	250	0	50
Other Services	2,200	2,000	2,300	200	-100
TOTAL GOVERNMENT	16,600	15,800	18,600	800	-2,000
FEDERAL GOVERNMENT	4,300	4,200	4,300	100	0
STATE & LOCAL GOVERNMENT	12,300	11,600	14,300	700	-2,000
State Government	7,000	6,400	9,300	600	-2,300
Local Government	5,300	5,200	5,000	100	300

SANTA FE MSA (SANTA FE & LOS ALAMOS COUNTIES) 1/	PRELIM OCT 1987	REVISED SEP 1987	REVISED OCT 1986	OCT CHANGE FROM SEP 1987	OCT CHANGE FROM OCT 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	54,650	54,850	53,550	-200	1100
MINING	50	50	100	0	-50
CONSTRUCTION	3,300	3,300	3,400	0	-100
MANUFACTURING	1,650	1,650	1,600	0	50
Durable Goods	1,050	1,050	1,000	0	50
Nondurable Goods	600	600	600	0	0
TRANSPORTATION & PUBLIC UTILITIES	1,100	1,150	1,150	-50	-50
Transportation	400	450	400	-50	0
Comm, Elec, Gas & Sanitary Svs	700	700	750	0	-50
WHOLESALE & RETAIL TRADE	11,050	11,200	10,450	-150	600
WHOLESALE TRADE	700	700	700	0	0
RETAIL TRADE	10,350	10,500	9,750	-150	600
General Merchandise Stores	1,050	1,050	950	0	100
Food Stores	1,900	1,950	1,700	-50	200
Auto Dealers & Service Stations	800	800	800	0	0
Eating & Drinking Places	4,000	4,100	3,800	-100	200
Other Retail Trade	2,600	2,600	2,500	0	100
FINANCE, INSURANCE, & REAL ESTATE	2,200	2,200	2,100	0	100
SERVICES	14,000	14,200	13,350	-200	650
Hotels & Other Lodging Places	2,000	2,100	1,850	-100	150
Business Services	3,100	3,200	3,100	-100	0
Health Services	3,000	3,000	3,000	0	0
Social Services	600	600	600	0	0
Other Services	5,300	5,300	4,800	0	500
TOTAL GOVERNMENT	21,300	21,100	21,400	200	-100
FEDERAL GOVERNMENT	1,600	1,600	1,600	0	0
STATE & LOCAL GOVERNMENT	19,700	19,500	19,800	200	-100
State Government 3/	15,700	15,600	15,900	100	-200
Local Government	4,000	3,900	3,900	100	100

1/ In accordance with the CES Manual, those published cells with less than 2,000 employees are rounded to nearest 50. Those published cells with more than 2,000 employees are rounded to 100.
2/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
3/ Includes employees of Los Alamos National Laboratory.

AVERAGE HOURS AND EARNINGS

Hours and Earnings of Production, Construction and Nonsupervisory Employees
(Prepared in cooperation with the U. S. Bureau of Labor Statistics)

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
NEW MEXICO	OCT 1987	SEP 1987	OCT 1986	OCT 1987	SEP 1987	OCT 1986	OCT 1987	SEP 1987	OCT 1986
MINING	$490.50	$499.38	$500.89	43.6	42.5	40.2	11.25	11.75	12.46
CONSTRUCTION	$420.36	$409.90	$392.83	37.7	37.4	37.2	11.15	10.96	10.56
MANUFACTURING	$341.78	$351.78	$355.45	40.4	38.7	40.3	8.46	9.09	8.82
Durable Goods	$349.43	$361.80	$361.08	42.1	40.2	40.8	8.30	9.00	8.85
Nondurable Goods	$327.77	$328.42	$343.00	35.9	35.2	39.2	9.13	9.33	8.75
COMMUNICATION & UTILITIES	$558.38	$588.83	$547.38	41.3	42.7	42.4	13.52	13.79	12.91
WHOLESALE & RETAIL TRADE	$224.45	$228.42	$219.38	33.4	33.2	32.5	6.72	6.88	6.75
Wholesale Trade	$404.00	$413.10	$367.28	40.4	40.5	40.9	10.00	10.20	8.98
Retail Trade	$191.96	$193.66	$191.27	32.1	31.8	30.9	5.98	6.09	6.19
BANKING	$224.32	$224.37	$225.42	37.7	37.9	38.6	5.95	5.92	5.84
ALBUQUERQUE MSA	OCT 1987	SEP 1987	OCT 1986	OCT 1987	SEP 1987	OCT 1986	OCT 1987	SEP 1987	OCT 1986
MANUFACTURING	$364.23	$377.99	$368.10	38.3	40.6	40.9	9.51	9.31	9.00
Durable Goods	$378.30	$405.04	$381.39	39.0	41.5	41.5	9.70	9.76	9.19
Nondurable Goods	$319.85	$303.28	$321.65	36.1	38.1	38.8	8.86	7.96	8.29

NOTE: Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded. The average earnings are "gross" reflecting not only changes in basic hourly and incentive wage rates but also such factors as premium pay for overtime and shift differentials. The work week information relates to the average hours for which pay was received, and is different from standard or scheduled hours due to absenteeism, labor turnover, part time work, overtime work etc.

U.S. CONSUMER PRICE INDEX

	Oct. 1987	Sep. 1987	Oct. 1986	Percent Change Sep.'87-Oct.'87	Percent Change Oct.'86-Oct.'87
CPI-U	345.3	344.4	330.5	+0.3%	+4.5%
CPI-W	340.0	339.1	325.0	+0.3%	+4.6%

Index Base Year 1967 = 100

CPI-U - All Urban Consumers
CPI-W - Urban Wage Earners and Clerical Workers

Source: U.S. Department of Labor, Bureau of Labor Statistics

AREA ECONOMIC ACTIVITY

Statewide: Furr's Inc. recently purchased Safeway's El Paso division for approximately $140 million. Included in the sale were 59 supermarkets in New Mexico and West Texas. As a condition of the sale, the Federal Trade Commission ruled that Furr's would have to divest itself of ten New Mexico and two Texas stores in order to prevent a monopoly in those communities. In response to the FTC order, Furr's sold the twelve stores to Quality Plus, a new grocery chain. The New Mexico stores purchased by Quality Plus are located in Hobbs, Artesia, Lovington, Clovis, Portales, Roswell, Alamogordo, Silver City, Las Vegas, and Espanola.

Albuquerque Area: The Drug Emporium, one of the nation's largest discount drug chains, will replace Beall's department store at the Promenade Shopping Center, located at the corner of Spain and Eubank N.E. An 8,200-square-foot restaurant also opened at the center in October. The $1 million restaurant, called Marie Callender's, seats 208 persons and employs 120. Vista Sandia psychiatric hospital will close its doors on December 15. Vista Sandia was Albuquerque's only independent psychiatric hospital until 1984; since then the competition for patients has increased substantially. The hospital employs 120 people. A $10 million, 107-acre mobile home park is scheduled to be built at I-40, nine-mile hill and Central Avenue. Construction should start later this fall, and the first phase is expected to be completed by spring. Newman Communications Corp., a company which produced books-on-cassettes, closed this month. The company, which was one of the first in the nation to make talking-books, was forced out of business by competition from the larger publishing companies. Newman employed as many as 60 people and had earnings of $7 million as recently as 1985. Lasertechnics, a company which manufactures an inkless laser marking system, has temporarily laid off 15 employees, or 15 percent of its workforce, because of a softening of sales. Signetics Corporation's Albuquerque division is planning a $27.6 million plant expansion next year. The new computer-chip manufacturing facility will require an additional 180 people when it becomes fully operational by the end of 1988; this will bring the total number of Signetics employees in Albuquerque to almost 800.

Alamogordo / Ruidoso Area: Officials of Scott Air Inc. of Alamogordo have signed a $460,000 contract with Carpenter Body Works of Mitchell, Indiana to provide 80 self-contained mobile air conditioning units. Mesa Airlines, a New Mexico commuter airline, has announced plans to begin daily service to the Sierra Blanca Regional Airport starting December 11. The airline's proposed schedule calls for connections to Roswell, Albuquerque, and Dallas, Texas.

Carlsbad / Artesia Area: Brantley Dam is expected to be completed by July of next year, according to Monterrey Construction, the prime contractor of the project. There are currently 250 persons employed on the Brantley Dam project. Carlsbad Block and Supply closed down in early November, but the firm expects to reopen in March of 1988. The firm employs approximately 10 workers.

Clovis / Portales Area: Furr's Inc. officials closed the firm's trucking relay station in Fort Sumner in November, resulting in the loss of approximately 20 jobs at the facility. The Safeway milk plant in Clovis closed in early November, causing the layoff of about 70 workers; however, the milk plant is expected to be leased and reopened by an as yet unspecified concern. Santa Fe Railway officials have announced plans to transfer about 70 administrative jobs located in Clovis and in La Junta, Colorado to a new regional headquarters facility in Albuquerque by mid-1988. The U.S. Air Force will move an F-111 weapons training school to Cannon Air Force Base next year. Approximately 20 personnel will be transferred from Mountain Home Air Force Base in Idaho to Cannon AFB to staff the school. The Cannon Air Force Base contracting division awarded more than $19 million in contracts in fiscal year 1987. Small businesses were awarded approximately $13 million in contracts, including $5 million to Portales and Clovis firms.

Espanola Area: Construction of the new Las Cumbres Learning Center is scheduled to start in November and should be completed by next summer. The state has set aside $540,000 for the construction of an 8,500-square-foot, single-story building. The center will house instructional/therapeutic space as well as offices and a library.

Farmington Area: The Navajo Tribe is negotiating with two potato processing companies to build plants at Navajo Agricultural Products Industries, 110,000 acres of farm land 15 miles outside Farmington known as NAPI. The companies, Texas Style Chips and Kwik Fries International Inc., hope to make use of the large potato harvest NAPI is capable of producing. NAPI produced 60 million pounds of potatoes in 1986 and is expected to have at least that good a crop this year. Negotiations with Kwik Fries are in the formative stages; however, Texas Style Chips and the Tribe are expected to make a formal announcement shortly.

Hobbs / Lovington Area: A new manufacturer, MAC-VAC Inc., is scheduled to begin operations in the Hobbs Industrial Air Park within the next few weeks. The firm, which manufactures vacuum cleaners, will start with about 15 workers and hopefully expand to 30 within two years. K-Mart has announced plans to move their store in Hobbs to the building formerly occupied by Albertson's food store. K-Mart is expected to add about 30 workers to their payroll when the move is completed sometime in the spring of next year. Furr's Inc. will locate a new Furr's Food Emporium in Hobbs. Furr's officials said they were undecided whether to expand the present location of Furr's in the Broadmoor Shopping Center or construct a new facility at a different location. Oil well drilling activity in the Permian Basin set new yearly highs in late October, with 181 operating rigs compared with 84 rigs in operation during the same period in 1986, according to figures tabulated by Hughes Tool Company. Within the Basin this October, Lea County accounted for 28 rigs, Eddy County showed five, and Chaves County accounted for three working oil rigs.

Las Vegas Area: Franken Construction Company, from Las Vegas, has been selected to build a Developmental Skills Facility at the Luna Vocational Technical Institute. The structure will be built at a cost of $1.4 million and will house the school's remedial skills training center.

Las Cruces Area: Two defense contractors were recently awarded large contracts to continue work on the New Mexico National Guard's Roland Missile Program in Las Cruces. Hughes Aircraft was awarded two contracts worth $12.1 million, and Boeing Co. was awarded contracts worth $9.6 million. Both companies will provide logistical support and maintenance on the National Guard's surface-to-air missile system. White Sands Missile Range awarded contracts worth more than $102 million during the past fiscal year, according to U.S. Army officials. Of this amount, Las Cruces businesses received $33.5 million, Alamogordo businesses received $39.8 million, and $19.7 million was awarded to Albuquerque area firms. The primary agricultural activities during November centered around the harvesting of red chile, lettuce, and cabbage.

Raton Area: A.R.F. Products of Raton was recently awarded a $2.4 million contract by the U.S. Army's Communication-Electronics Command. A.R.F. will build 300 amplifier frequency multipliers over a three-year period. Western Hollow Metal Co., a company which has been in business since 1964, has announced that it will shut down operations by March 1988. The company, which employed as many as 80 people at its peak, is currently down to 25.

Roswell Area: Work is progressing on the $8 million, 200,000-square-foot expansion of Transportation Manufacturing Corporation's (TMC) plant at the Roswell Industrial Air Center which will accommodate a new transit bus manufacturing division. The new manufacturing operation, which should be in operation early in 1988, is expected to increase TMC's payroll to approximately 1,600. TMC has already signed contracts to build transit buses for several major U.S. cities. Work has started on the $2.5 million facilities for a new car dealership in Roswell which will combine two local auto dealerships, Crow Oldsmobile and Crow Nissan. Also underway is a $2 million expansion of the Eastern New Mexico Medical Center. Mealmakers, Inc. laid off 50 workers in late October, reducing the payroll at the food processing plant to approximately 100.

Tucumcari Area: Work is underway by Custom Design Builders on a new subdivision in Tucumcari which will contain 18 housing units costing approximately $1.4 million when completed.

REPORT ON VETERANS IN NEW MEXICO

The following report presents some important statistics on veterans in New Mexico. Hopefully the reader will find this report informative and gain a better insight into the veteran population in our state.

Table 1 shows the veteran populations and their average annual growth rates in New Mexico and Bernalillo county by period of service as of March 31, 1977, March 31, 1985 and March 31, 1986.

Table 1
New Mexico and Bernalillo County Veteran Populations and average annual growth rates by Period of Service and Year as of March 31.

	Total All Veterans	Service Began In Vietnam Era	Service Began In Korean Era	Service Began In World War II	Service Began In World War I	Total# Peace-Time Veterans
1977						
New Mexico	136,000	36,000	22,000	58,000	3,000	16,000
Bernalillo	50,730	15,370	7,490	20,780	980	6,110
1985						
New Mexico	162,000	49,000	23,000	57,000	1,000	32,000
Growth rate since 1977	(2.21%)	(3.93%)	(0.56%)	(-0.22%)	(-12.83%)	(9.05%)
Bernalillo	60,230	19,200	9,050	20,540	310	11,140
Growth rate since 1977	(2.17%)	(2.82%)	(2.39%)	(-0.15%)	(-13.40%)	(7.80%)
1986						
New Mexico	169,700	52,100	24,000	58,500	900	34,300
Growth rate since 1985	(4.75%)	(6.33%)	(4.35%)	(2.63%)	(-10.00%)	(7.19%)
Growth rate since 1977	(2.49%)	(4.19%)	(0.97%)	(0.86%)	(-12.52%)	(8.84%)
Bernalillo	63,950	20,600	8,570	21,620	250	12,850
Growth rate since 1985	(6.18%)	(7.29%)	(-5.30%)	(5.26%)	(-19.35%)	(15.35%)
Growth rate since 1977	(2.61%)	(3.31%)	(1.51%)	(0.44%)	(-14.08%)	(8.61%)

Source: U.S. Veterans Administration

Total peace-time veterans is comprised of those who served between WWI and WWII, between WWII and the Korean conflict, between the Korean conflict and Vietnam, and post Vietnam.

Analysis of the figures in Table 1 show that the total number of veterans in NM has increased by 33,700 or 24.8% from March 31, 1977 to March 31, 1986. This translates into an average annual growth rate of 2.49%. If this growth rate continues into the future the number of veterans in NM will be 187,244 as of March 31, 1990 and 211,746 as of March 31, 1995.

From March 31, 1985 to March 31, 1986 the total number of veterans in NM increased by 7,700 or 4.75%. This annual rate of 4.75%, which is higher than the average annual rate of 2.49% computed above for the years 1977 to 1986, suggests that the number of veterans in NM may be increasing at an increasing rate.

For planning purposes it would be interesting to compare the growth rate of the overall population of NM with the veteran population as shown in Table 2. The projected population of NM in 1990 is 1,637,000 (see Table 2) which is an increase of 174,000 from 1985. This translates into an average annual growth rate of 2.27%. These calculations lead us to expect that the number of veterans in NM will grow more rapidly than the total population.

If we assume that the level of services provided by the state to each veteran in New Mexico remains at the current average level then we can expect that the per capita financial burden of services provided to veterans by the state will increase. This can be seen by noting that in 1985 the 162,000 veterans in NM were 11.07% of the total NM population of 1,463,000. In 1990 the projected level of 187,317 veterans (2.49% annual growth rate) would be 11.44% of the projected NM population of 1,637,000. If the 1985-1986 growth rate of 4.75% for NM veterans is used then the 1990 projected level of veterans in NM would be 204,314 (see Table 2). This is 12.48% of the projected NM total population. These calculations have been carried out for the year 1995 under both scenarios of growth rates for the state's veteran population. We can conclude that either the average dollar amount paid by a New Mexico resident to provide state services to veterans in New Mexico will increase, or the level of those services will decrease, or both.

*Source: New Mexico Annual Manpower Planning Report, May 1987, New Mexico Dept. of Labor.

TABLE 2
Comparison of projected veteran population vs. total population
for New Mexico in 1990 and 1995.

	(1) Projected Veteran Population: 2.49% Growth Rate	(2) Projected Veteran Population: 4.75% Growth Rate	(3) Projected Total Population*	(4) Column (1) As A Percent Of Column (3)	(5) Column (2) As A Percent Of Column (3)
1990	187,317	204,314	1,637,000	11.44%	12.48%
1995	211,746	257,673	1,798,900	11.78%	14.32%

*Source: New Mexico Annual Manpower Planning Report, May 1987, New Mexico Dept. of Labor.

The level of services provided to New Mexico veterans by the Employment Services Division of the New Mexico Department of Labor for the first half of 1987 can be seen in Table 3.

TABLE 3
Job Training/Placement of Veterans in New Mexico by the Employment Services Division
January through June, 1987

	(1) Total People 22 and over	(2) Veterans and other Eligibles	(3) Vietnam Veterans	(4) Disabled Veterans	(5) Column (2) as a Percent of Column (1)
Total Employment Services Division Applicants	122,321	22,695	10,406	1,389	18.6%
Placement/Obtained Employment	22,309	4,845	2,298	267	21.7%
Counseling	2,801	960	472	97	34.3%
Placed In Training	530	114	71	13	21.5%
Received Some Reportable Service	49,274	13,645	6,523	926	27.7%
Job Development	10,015	5,502	2,783	456	54.9%

In the case of Bernalillo county the veteran population has been growing at an even more rapid rate than for the state. From Table 1 we can see that the number of veterans in Bernalillo county has increased by 13,220 or 26.1% from March 31, 1977 to March 31, 1986. This translates into an average annual growth rate of 2.61%. From March 31, 1985 to March 31, 1986 the veteran population in this county increased by 3,720 or 6.2%, an annual rate which could have very significant impacts on the state's programs for veterans. Projections of Bernalillo's veteran population are given in Table 4.

TABLE 4
Comparison of projected veteran population vs. total population
for Bernalillo County in 1990 and 1995.

	(1) Projected Veteran Population: 2.61% Growth Rate	(2) Projected Veteran Population: 6.18% Growth Rate	(3) Projected Total Population*	(4) Column (1) As A Percent Of Column (3)	(5) Column (2) As A Percent Of Column (3)
1990	70,892	81,285	525,800	13.48%	15.46%
1995	80,639	109,705	575,800	14.00%	19.05%

*Source: New Mexico Annual Manpower Planning Report, May 1987, New Mexico Dept. of Labor.

Insofar as the needs of the veteran for state services vary depending on the veteran's period of military service it would be valuable to know from which eras future growth in veteran population will originate. As can be seen from Table 1, the largest group of veterans in both the state and Bernalillo county as of March 31, 1987 began their military service during the WWII era. The next largest group in both areas comes from the Vietnam era, followed by the total peace-time veterans group. We can expect this pattern to change in the future due to the higher growth rates for the peace-time group and the Vietnam era group. Therefore the state and Bernalillo county can expect that services provided to these two veteran's groups in the future will constitute a larger and larger proportion of total services provided to all veterans.

NEW MEXICO LABOR FORCE ESTIMATES 1/

	PRELIMINARY OCTOBER 1987				REVISED SEPTEMBER 1987				REVISED OCTOBER 1986			
	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate
STATEWIDE	677,381	622,044	55,337	8.2%	671,013	615,622	55,391	8.3%	684,718	622,445	62,273	9.1%
ALBUQUERQUE MSA 2/	258,252	241,634	16,618	6.4%	256,211	239,577	16,634	6.5%	258,755	241,226	17,529	6.8%
LAS CRUCES MSA 3/	57,230	52,844	4,386	7.7%	55,175	51,068	4,107	7.4%	58,610	54,509	4,101	7.0%
SANTA FE MSA 4/	65,614	62,114	3,500	5.3%	65,134	61,645	3,489	5.4%	65,037	61,588	3,449	5.3%
Catron	1,274	1,159	115	9.0%	1,358	1,230	128	9.4%	1,172	1,023	149	12.7%
Chaves	22,387	20,762	1,625	7.3%	21,988	20,338	1,650	7.5%	22,897	20,791	2,106	9.2%
Cibola	8,741	7,730	1,011	11.6%	8,761	7,609	1,152	13.1%	8,465	7,050	1,415	16.7%
Colfax	6,573	5,842	731	11.1%	6,708	6,014	694	10.3%	6,680	5,817	863	12.9%
Curry	16,670	15,398	1,272	7.6%	16,712	15,386	1,326	7.9%	17,878	16,463	1,415	7.9%
De Baca	900	826	74	8.2%	936	867	69	7.4%	1,052	928	124	11.8%
Eddy	20,262	18,060	2,202	10.9%	20,428	18,168	2,260	11.1%	22,250	19,365	2,885	13.0%
Grant	10,267	9,307	960	9.4%	9,995	9,100	895	9.0%	9,943	8,868	1,075	10.8%
Guadalupe	1,648	1,400	248	15.0%	1,649	1,454	195	11.8%	1,712	1,486	226	13.2%
Harding	438	393	45	10.3%	464	409	55	11.9%	503	447	56	11.1%
Hidalgo	2,351	2,194	157	6.7%	2,345	2,183	162	6.9%	2,625	2,442	183	7.0%
Lea	21,956	20,032	1,924	8.8%	22,097	20,014	2,083	9.4%	25,335	21,741	3,594	14.2%
Lincoln	6,892	6,467	425	6.2%	7,731	7,315	416	5.4%	7,421	6,834	587	7.9%
Luna	5,944	5,243	701	11.8%	5,978	5,263	715	12.0%	6,106	5,284	822	13.5%
McKinley	17,151	15,025	2,126	12.4%	16,949	14,898	2,051	12.1%	17,239	14,852	2,387	13.8%
Mora	1,321	960	361	27.3%	1,270	925	345	27.2%	1,290	840	450	34.9%
Otero	18,431	16,961	1,470	8.0%	18,073	16,696	1,377	7.6%	17,849	16,513	1,336	7.5%
Quay	4,524	4,129	395	8.7%	4,512	4,138	374	8.3%	4,695	4,282	413	8.8%
Rio Arriba	13,184	10,996	2,188	16.6%	13,174	10,990	2,184	16.6%	12,697	10,371	2,326	18.3%
Roosevelt	7,828	7,501	327	4.2%	7,401	7,000	401	5.4%	7,687	7,311	376	4.9%
Sandoval	24,212	22,298	1,914	7.9%	23,802	21,879	1,923	8.1%	23,115	20,859	2,256	9.8%
San Juan	33,980	29,560	4,420	13.0%	33,748	28,922	4,826	14.3%	35,238	29,805	5,433	15.4%
San Miguel	10,118	8,950	1,168	11.5%	9,771	8,615	1,156	11.8%	10,107	8,893	1,214	12.0%
Sierra	2,624	2,448	176	6.7%	2,529	2,376	153	6.0%	2,584	2,376	208	8.0%
Socorro	5,825	5,273	552	9.5%	5,704	5,191	513	9.0%	5,993	5,399	594	9.9%
Taos	9,909	7,613	2,296	23.2%	9,858	7,704	2,154	21.9%	9,517	6,983	2,534	26.6%
Torrance	3,364	3,001	363	10.8%	3,258	2,941	317	9.7%	3,234	2,877	357	11.0%
Union	2,054	1,920	134	6.5%	2,058	1,909	149	7.2%	2,142	1,980	162	7.6%
Valencia	15,457	14,004	1,453	9.4%	15,236	13,798	1,438	9.4%	14,890	13,242	1,648	11.1%

1/ All estimates are made in strict accordance with methodology provided by the U. S. Department of Labor, Bureau of Labor Statistics

2/ Metropolitan Statistical Area - Bernalillo County

3/ Metropolitan Statistical Area - Doña Ana County

4/ Metropolitan Statistical Area - Santa Fe and Los Alamos Counties

New Mexico Department of Labor
Economic Research and Analysis (CC 6097)
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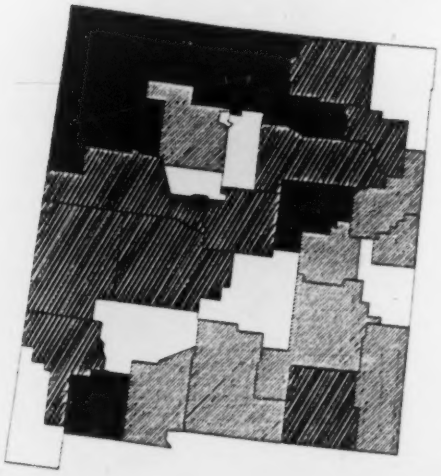
New Mexico
Unemployment Rates by Area
October 1987



Legend

- 4.2 to 7.3
- 7.3 to 9
- 9 to 11.7
- 11.7 to 28.3